



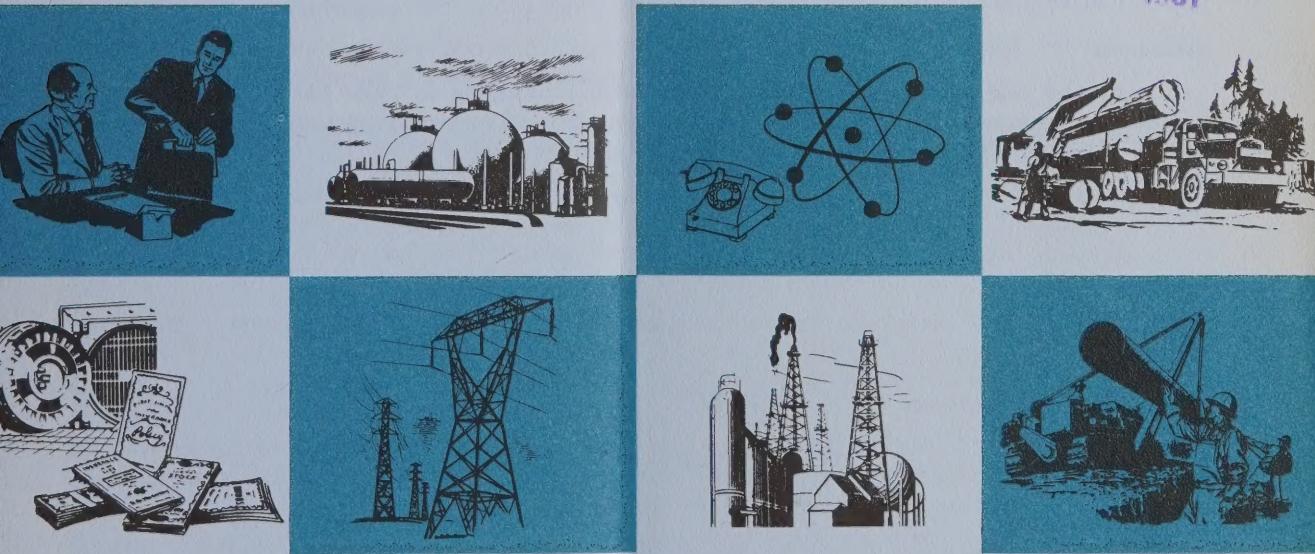
A MANAGED OPEN-END MUTUAL FUND

The purpose of Grouped Income Shares Limited is to provide to its shareholders the usual benefits of a mutual fund investment – reasonable income, possibility of capital growth, careful selection, professional management, security, and liquidity – plus unique benefits in the form of an unusual dividend policy, special tax advantages, broader-than-

average participation in United States investments and concentration in Canadian and U.S. common stocks of a growth nature.

This report presents a review of the operations of G.I.S. in the past year, together with an indication of the extent to which this fund has measured up to its objectives as a financial institution.

AUG 1 1961



ANNUAL REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 1961

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INVESTMENT COUNSEL'S REPORT

In the eight years to 1956, gross national production in Canada increased at an annual rate of about 5.4% in constant dollars. For the past four years, the annual growth has been less than 1½%. This has been reflected in the less satisfactory performance of many Canadian common stocks.

The 3% annual increase in Canada's labor force demands an early quickening of this rate of growth – particularly as it has been slowing for some years. Unless Canada is to be plagued with increasing and chronic unemployment, total domestic production must grow at considerably more than 1½% annually to take care of an expanding work force and the unrelenting trend toward mechanization and automation.

Both in Canada and the United States this compelling problem is attracting critical attention. Strenuous efforts are developing on the part of the government and private industry to restore a rate of growth in keeping with our natural and human resources. The opportunities are not lacking. Scientific progress has been breath-taking, disrupting century-old theories and ushering in a period of staggering change. If similar advances can be achieved in political and economic concepts of what an affluent society can provide in a private-enterprise environment, the slight growth of the past four or five years in the North American economy should give way to progress comparable to that taking place in the scientific sphere.

In the United States, Walter W. Heller, chairman of the president's Economic Advisory Committee, has said that a 4½% growth rate in that country is "reachable". If so, Canada's growth could parallel such a rate, particularly if European countries maintain the invigorating expansion which still seems in general prospect. Such a 4½% rate represents a tangible improvement, and not an inflationary one. Between 1948 and 1956 the value of Canada's gross national production was swollen by more than a 50% rise in prices. This resulted in an increment in the value of the total production of goods and services of over 9% annually.

With ample supplies of goods and commodities, there is unlikely to be a similar rise in the price level over the next four or five years. Nevertheless, increased government spending, and higher taxes in some directions, will exert considerable pressure. Moreover, the cost of services is still rising, and labor income even last year was 3½% higher than in 1959 although the increase in total production was insignificant. Consequently, it is logical to expect a continuation of the trend to higher prices even if the rate of increase may not exceed the 1½% annual price rise of the past three or four years.

Renewed strength in the stock markets during the first quarter of this year was obviously discounting a more representative rate of growth both in Canada and in the United States. This was coupled with a returning apprehension that, although inflation may have been checked in many countries, a persistent rise in prices cannot be entirely avoided in North America even though it may be restrained.



GROUPED INCOME SHARES LIMITED

Under such conditions it is natural to look to common stocks to provide a measure of protection and a means to the enhancement of capital over the coming decade. Grouped Income Shares is a common stock fund. Only a small proportion of its investment portfolio is represented – and usually temporarily – by fixed-income securities. The Fund's principal purpose is to provide a convenient vehicle for the average investor to reach his objective under professional direction. It is not intended as a short-run operation where the odds have been only slightly in favor of the investor, but rather for the longer-term employment of savings where economic growth operates to the advantage of the common shareholder.

Investment in Canadian securities has been given emphasis. On the other hand, there is not yet sufficient investment media available in this country for participating in many of those industries which will expand vigorously from the advanced scientific skills and spectacular technological advances in prospect during the current decade. Consequently, a representation has been sought in U.S. common stocks to balance and complement the basic holdings of Canadian equities.

Canada may be confronted with frustrating and irritating problems, but the longer-term future could be more exhilarating than the past four or five years when growth has been retarded with a resultant rise in depressing unemployment. Sacrifices may still be imperative before a solid economic base can be achieved, but a share in North American production through a supervised holding of common stocks is still the most convenient means of participating in future developments.

S. C. SCOBELL.

RECORD OF GROWTH AND DIVIDENDS

YEAR ENDED MARCH 31	DIVIDENDS*			TOTAL	TOTAL NET ASSETS	SHARES OUTSTANDING
1953	5.75¢	—	—	5.75¢	\$ 687,366	141,011
1954	10.55	—	—	10.55	932,310	183,514
1955	10.50	—	—	10.50	839,812	130,408
1956	12.75	10.00¢	—	22.75	2,229,065	553,995
1957	10.75	12.14	—	22.89	4,557,140	1,224,594
1958	9.50	10.00	—	19.50	5,158,623	1,599,334
1959	14.20	10.00	—	24.20	7,997,708	2,050,063
1960	9.95	10.00	—	19.95	8,419,781	2,468,349
1961	9.50	10.00	—	19.50	11,619,331	3,161,276

*Adjusted for 2-for-1 stock split effected Oct. 24, 1955.

ACCUMULATION PLAN

\$100 Per Month in G.I.S. Accumulating Trust

The investment of fixed sums of money, at regular intervals, enables the shareholder to purchase more shares when the market is low, and fewer shares when the market is high, so that the average cost per share is less than the average market price of the shares.

Many G.I.S. shareholders take advantage of this principle of "dollar averaging" (and at the same time build their accounts to more substantial proportions) through periodic purchase plans arranged with their investment dealers.

The record of one of these accumulation plans, on the basis of \$100 per month invested in G.I.S. Accumulating Trust units, is shown here in tabular form:

YEAR ENDED MARCH 31	AMOUNT INVESTED	NUMBER OF SHARES HELD	TOTAL VALUE OF INVESTMENT
1953	\$ 1,200.00	230.037	\$ 1,140.98
1954	2,400.00	454.618	2,473.12
1955	3,600.00	626.713	4,487.27
1956	4,800.00	1,509.704	7,291.87
1957	6,000.00	1,743.804	8,178.44
1958	7,200.00	1,991.330	8,562.72
1959	8,400.00	2,212.283	12,211.80
1960	9,600.00	2,413.973	12,359.54
1961	10,800.00	2,626.531	15,102.55

SPECIAL NOTE

Concerning Reinvestment of Dividends

Supplementary Letters Patent dated April 11, 1961, authorize Grouped Income Shares to issue fractions of Special Shares. This will enable shareholders to re-invest dividends, automatically and without charge, in additional shares and fractions of shares.

It is anticipated that in July, 1961, G.I.S. will discontinue the G.I.S. Accumulating Trust and institute re-investment in shares and fractions. G.I.S.A.T. unit-holders will be duly advised in advance and their G.I.S.A.T. unit certificates will be replaced, upon surrender, with Special Share certificates representing the equivalent number of whole and fractional G.I.S. Special Shares.

Following this change, automatic re-investment may be authorized or terminated by the shareholder at any time through advice to National Trust Company Limited, Vancouver, B.C. Unless otherwise directed, National Trust Company Limited will convert all G.I.S.A.T. unit-holder accounts to automatic re-investment in special shares and fractions.



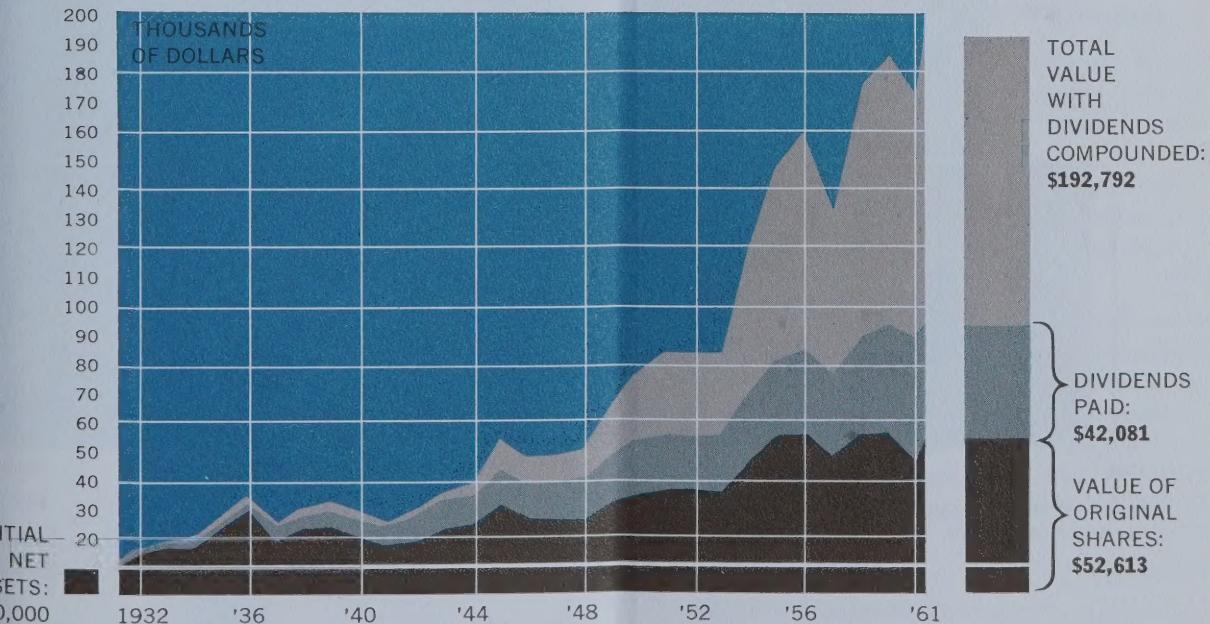
RECORD OF INVESTMENT - 1932-1961

G.I.S. Series "A" 1932-1951 G.I.S. Limited 1952-1961.

The purchase of mutual fund shares should be considered by the shareholders only as a long-term investment. Because of the very nature of this kind of investment there is, in most cases, little advantage to be gained by the shareholder who redeems his interest within 5 or 10 years and the greatest advantage to be gained by the shareholder who maintains his investment over a period of 20 or 30 years, or more.

In order properly to judge the merits of a mutual fund investment, the prospective shareholder should be enabled to observe investment results over a long period. Ideally, this period would include every conceivable market experience, but this is not always possible in the case of relatively new mutual funds.

For this reason we show on this page the history of an assumed investment made in G.I.S. Series "A" in 1932, which provided initial net assets of \$10,000. G.I.S. Series "A" was a 20-year investment trust which terminated in 1951. It is assumed that the liquidated proceeds of this investment were invested in Grouped Income Shares Limited, the successor to G.I.S. Series "A", at its initial offering in 1952.

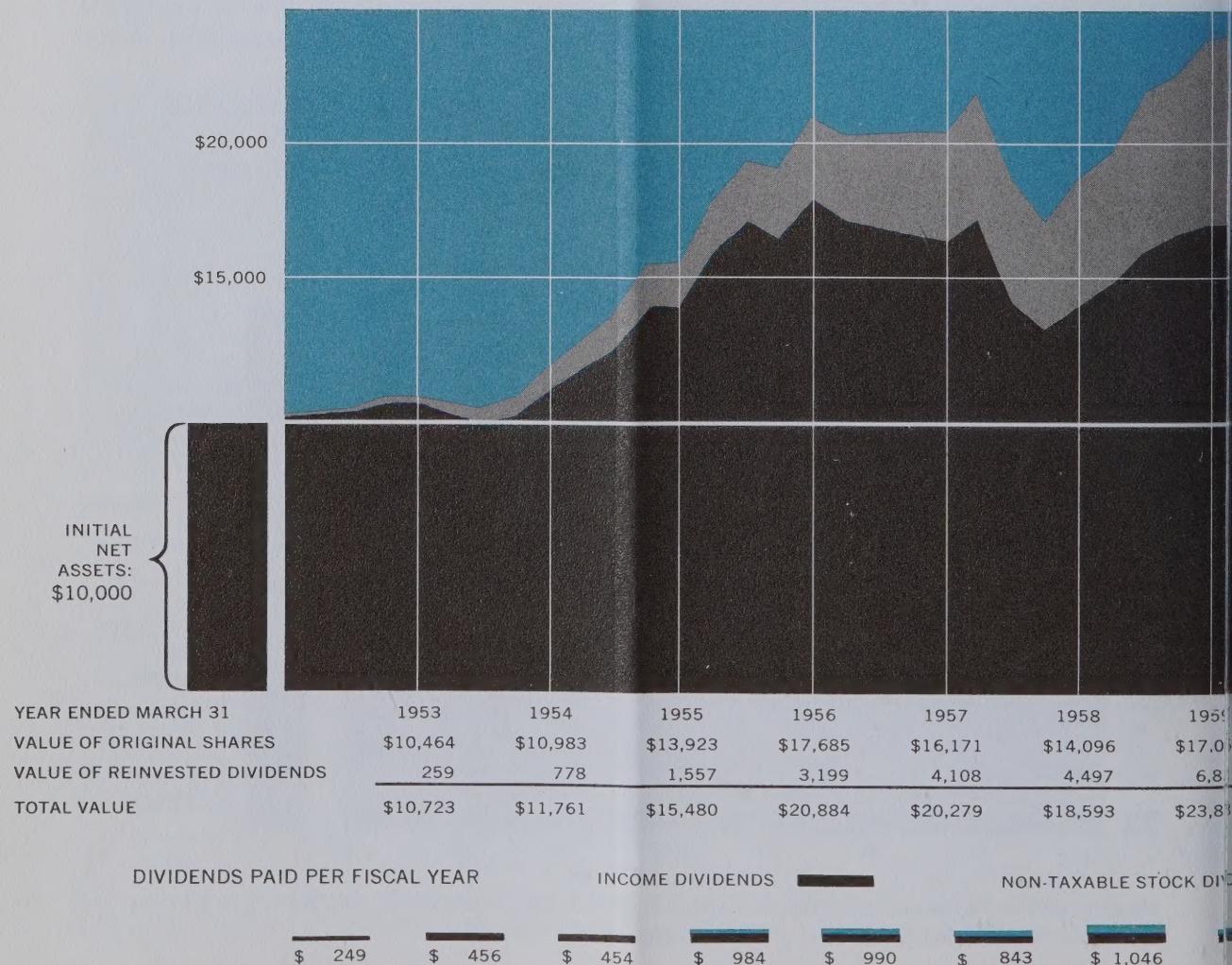


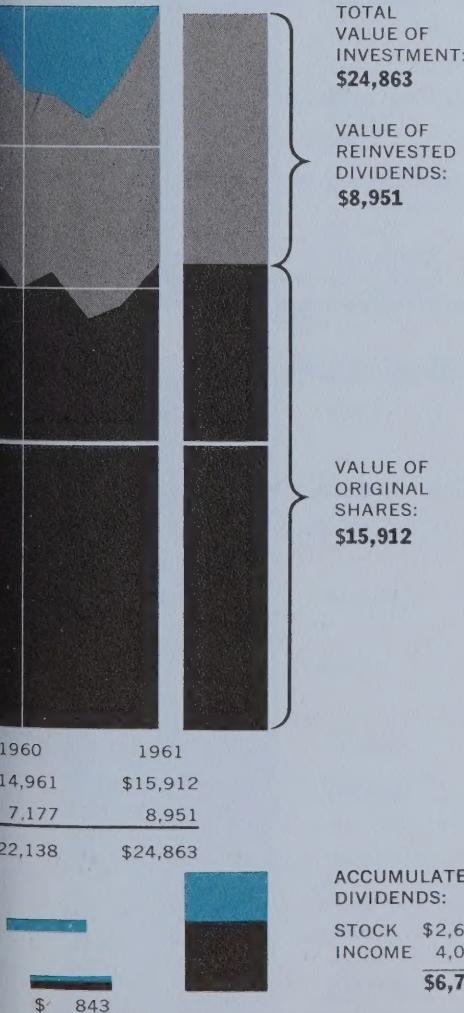
Records such as this, and others which appear in this report, are those of past performances only and should not be taken as indications of future performance.

GROUPED INCOME SHARES LIMITED

RECORD OF AN INVESTMENT - 1952-1961

Shown below is the record of an assumed investment, made in G.I.S. on April 25, 1952, which provided \$10,000 in initial net assets. The graph indicates the results in respect to the original assets and the results on the basis of reinvested dividends. Below it is a record of the cash dividends paid per annum, on an investment of this size, and the total dividends paid over the nine-year period.





5% DIVIDEND OBJECTIVE

The objective of G.I.S.'s dividend policy is to provide shareholders with an investment return of **not less than 5% per annum** on the average daily offer price of the fund's shares.

This policy makes it possible for the cash-dividend shareholder to invest in growth stocks and, at the same time, to enjoy a higher-than-average return on his investment.

Shareholders who prefer to re-invest dividends, automatically increase their participation in the growth potential of G.I.S., without additional cost, and, at the same time, receive full advantage of the tax benefits described below.

NON-TAXABLE STOCK DIVIDENDS

In order to achieve the objective outlined above, G.I.S. supplements regular "income" dividends with "stock" dividends. It is the opinion of counsel that the cash received from the automatic redemption of G.I.S. preferred stock dividends is **not taxable in the hands of shareholders**.

Whether their dividends are received in cash, or re-invested, G.I.S. shareholders may deduct, from tax payable, 20% of the amount received from income dividends. Such deductions are in accordance with Section 38 of the Income Tax Act and apply to dividends paid by most Canadian mutual funds.

At the same time, G.I.S. shareholders obtain full advantage of non-taxable stock dividends. These are unique in the Canadian mutual fund field and, at present, are available only to shareholders of G.I.S.



BALANCE SHEET – March 31, 1961

(with 1960 figures for comparison)

ASSETS

	1961	1960
INVESTMENTS – at market value.....	\$11,474,143	\$ 8,224,824
Cost 1961, \$10,373,853; 1960, \$8,258,034)		
 CURRENT ASSETS:		
Cash – National Trust Company Limited.....	242,436	164,288
Due from brokers.....	374,744	9,229
Income receivable.....	53,020	41,538
 Total current assets.....	<u>670,200</u>	<u>215,055</u>
 CURRENT LIABILITIES:		
Due to brokers.....	488,131	388
Due to Grouped Fund Distributors Limited.....	21,196	8,000
Other accounts payable and accruals.....	9,281	7,510
Income taxes payable.....	6,404	4,200
 Total current liabilities.....	<u>525,012</u>	<u>20,098</u>
Current assets less current liabilities.....	<u>145,188</u>	<u>194,957</u>
 Total assets – net.....	<u><u>\$11,619,331</u></u>	<u><u>\$ 8,419,781</u></u>

SHAREHOLDER'S EQUITY

CAPITAL STOCK:		
Common:		
Authorized and outstanding: 2,000 shares of 50 cents par value.....	\$ 1,000	\$ 1,000
Special – redeemable at shareholders' option:		
Authorized: 10,000,000 shares at 50 cents par value.....	\$ 1,000	\$ 1,000
Net issues during year for cash:		
1961 – 692,927 shares	1,579,638	1,233,174
1960 – 418,286 shares		
Redeemed and cancelled to date: 1961, 569,461; 1960, 440,250		
Outstanding: 1961, 3,159,276; 1960, 2,466,349.....	1,579,638	1,233,174
Preferred 5% non-cumulative – redeemable at the company's option:		
Authorized: 11,000,000 shares at 50 cents par value		
Redeemed and cancelled: 1961, 1,950,582; 1960, 1,401,182		
Outstanding – none.....		
 Total capital stock.....	<u>1,580,638</u>	<u>1,234,174</u>
 CAPITAL REDEMPTION ACCOUNT.....	<u>7,678,381</u>	<u>6,298,101</u>
 CAPITAL SURPLUS – Arising from redemption of special and preferred shares, Section 61, Companies Act.....	<u>1,260,022</u>	<u>920,716</u>
 EXCESS OF MARKET VALUE OVER COST OF INVESTMENTS.....	<u>1,100,290</u>	<u>(33,210)</u>
 EARNED SURPLUS.....	<u>–</u>	<u>–</u>
 Total shareholders' equity.....	<u><u>\$11,619,331</u></u>	<u><u>\$ 8,419,781</u></u>

GROUPED INCOME SHARES LIMITED

STATEMENT OF INCOME for the year ended March 31, 1961 (with 1960 figures for comparison)

	1961	1960
INCOME:		
Dividends – Canadian.....	\$ 208,351	\$ 194,348
Dividends – United States.....	87,589	78,247
Interest.....	45,722	18,743
Total income.....	341,662	291,338
EXPENSES:		
Management fee.....	44,673	31,059
Custodian, Registrar, Transfer and Dividend Disbursing Agent fee.....	13,244	11,155
Audit.....	2,325	2,600
Legal.....	–	2,557
Salary.....	2,500	2,500
Printing, postage, stationery and bank charges.....	4,887	2,555
Total expenses.....	67,629	52,426
INCOME BEFORE PROVISION FOR TAXES.....	274,033	238,912
TAXES:		
Withholding taxes – United States.....	13,281	11,750
Income taxes – Canadian.....	9,200	5,180
Total taxes.....	22,481	16,930
NET INCOME TRANSFERRED TO EARNED SURPLUS.....	\$ 251,552	\$ 221,982

STATEMENT OF EARNED SURPLUS for the year ended March 31, 1961 (with 1960 figures for comparison)

	1961	1960
BALANCE – first of year.....	\$ Nil	\$ Nil
Income for the year.....	251,552	221,982
Equalization account transfer.....	24,566	13,800
Total.....	276,118	235,782
Dividends paid:		
Cash – 1961, 9.5¢ and 1960, 9.95¢.....	276,118	235,782
Stock – 1961, 10¢ per share \$275,101 – 1960, 10¢ per share \$227,496.....		
<i>Two dividends were paid in stock in each year at the rate of one share of preferred for each 10 shares of common and special. These preferred shares were redeemed for cash, were charged to capital redemption account, and totalled 549,400 shares for 1961 and 454,224 shares for 1960.</i>		
BALANCE – end of year.....	\$ Nil	\$ Nil



PORTFOLIO OF INVESTMENTS – March 31, 1961

(*Indicates U.S. and Foreign Investments)

COMMON STOCKS	NUMBER OF SHARES	MARKET VALUE	PERCENT OF NET ASSETS
AUTOMOBILE – 2.94%			
*American Motors Corporation	10,800	\$ 223,011	1.92%
*Ford Motor Company	1,500	118,312	1.02
CHEMICAL AND DRUG – 2.38%			
Canadian Industries Limited	3,700	58,275	.50
*E. I. duPont de Nemours & Company	500	103,370	.89
*Union Carbide Corporation	900	114,733	.99
CONSTRUCTION AND ALLIED – 5.95%			
Canada Cement Company, Limited	4,000	110,500	.95
Dominion Tar & Chemical Company, Limited	24,300	413,100	3.56
Standard Paving & Materials Ltd.	9,570	160,298	1.38
Western Copper Mills Ltd.	4,950	7,425	.06
ELECTRONICS – 5.79%			
*International Telephone & Telegraph Corporation	5,800	341,366	2.94
*Radio Corporation of America	4,162	284,153	2.02
*Texas Instruments Inc.	500	96,569	.83
FINANCE – 5.40%			
Bank of Montreal	2,410	148,818	1.28
The Canadian Bank of Commerce	2,450	156,494	1.35
The Royal Bank of Canada	2,050	155,800	1.34
The Toronto-Dominion Bank	2,750	166,719	1.43
FOOD AND MERCHANDISING – 7.87%			
*American Tobacco Company	2,000	148,625	1.28
Canada Packers Limited	2,000	112,000	.96
Rothman's of Pall Mall (Canada) Limited	2,050	22,294	.19
Simpsons, Limited	4,800	160,200	1.38
*Unilever N.V.	1,500	175,085	1.51
*Wilson & Company	2,500	113,756	.98
Woodward Stores (1947) Limited	10,300	182,825	1.57
FOREST PRODUCTS – 9.04%			
Abitibi Power & Paper Company, Limited	7,075	278,578	2.40
Consolidated Paper Corporation Limited	4,400	193,600	1.67
Eddy Paper Company Limited	2,050	124,281	1.07
Great Lakes Paper Company Limited	1,200	57,300	.49
MacMillan, Bloedel and Powell River Limited	20,000	320,000	2.75
Western Plywood Company Limited "B"	6,400	76,800	.66
METALS AND MINING – 8.02%			
Aluminium Limited	6,000	214,500	1.85
*The Anaconda Company	2,500	133,539	1.15
Cassiar Asbestos Corporation Limited	5,000	66,875	.58
Geco Mines Limited	4,000	75,500	.65
The International Nickel Company of Canada, Limited	2,800	180,600	1.55
Noranda Mines, Limited	2,500	109,375	.94
*Reynolds Metals Company	3,000	150,974	1.30

GROUPED INCOME SHARES LIMITED

COMMON STOCKS (continued)	NUMBER OF SHARES	MARKET VALUE	PERCENT OF NET ASSETS
NATURAL GAS – 5.66%			
Alberta Natural Gas Company.....	5,000	\$ 85,000	.73%
International Utilities Corporation.....	6,636	291,984	2.51
Union Gas Company of Canada Limited.....	15,000	281,250	2.42
OFFICE EQUIPMENT – 1.66%			
*Friden Inc.....	2,142	134,810	1.16
Moore Corporation Limited.....	1,000	58,000	.50
PETROLEUM – 6.44%			
*Anderson-Pritchard Oil Corporation.....	2,200	106,906	.92
The British American Oil Company Limited.....	5,800	203,725	1.75
Home Oil Company Limited "A".....	3,333	36,246	.31
Imperial Oil Limited.....	2,500	105,312	.91
*Skelly Oil Company.....	2,800	156,488	1.35
*Standard Oil Company (New Jersey).....	3,100	139,907	1.20
PIPELINES – 5.75%			
*El Paso Natural Gas Company.....	7,600	209,000	1.80
Interprovincial Pipe Line Company.....	4,350	284,925	2.45
*Pacific Gas Transmission Company.....	5,000	80,625	.69
Trans-Mountain Oil Pipe Line Company.....	6,500	94,250	.81
PUBLIC UTILITIES – 6.60%			
*American Telephone & Telegraph Company:			
Shares.....	1,000	119,567	1.03
Rights.....	20,000	34,621	.30
British Columbia Power Corporation Limited.....	3,900	136,012	1.17
Calgary Power Ltd.....	12,200	314,150	2.70
The Shawinigan Water and Power Company.....	5,500	162,250	1.40
STEEL – 4.19%			
Algoma Steel Corporation Limited.....	1,000	37,000	.32
Dominion Foundries and Steel Company Limited.....	1,000	50,500	.43
Page-Hersey Tubes, Limited.....	8,100	211,612	1.82
The Steel Company of Canada, Limited.....	2,500	188,750	1.62
MISCELLANEOUS – 9.06%			
*American Machine and Foundry Company.....	1,000	112,148	.97
Canadian Pacific Railway Company.....	3,900	91,163	.78
*Cluett, Peabody & Co. Inc.....	1,300	86,640	.75
Federal Grain Limited "A".....	1,500	81,750	.70
*General Dynamics Corporation.....	2,500	102,009	.88
The Goodyear Tire & Rubber Company of Canada Limited.....	1,000	142,000	1.22
Massey-Ferguson Limited.....	17,250	237,188	2.04
Rio Algom Mines Limited.....	21,100	199,395	1.72
TOTAL COMMON STOCKS.....		\$10,080,833	86.75%



PORTFOLIO OF INVESTMENTS — March 31, 1961 (continued)

	PAR VALUE	MARKET VALUE	PERCENT OF NET ASSETS
Convertible Debentures			
British Columbia Electric Company Limited 6%, 1984	\$100,000	\$ 107,000	.92%
Canadian Delhi Oil Limited 5½%, 1973	92,000	80,960	.70
Home Oil Company Limited 6%, 1975	67,000	72,360	.62
Loblaw Grocerias Co., Limited 4¾%, 1976	98,000	145,040	1.25
*Pacific Gas Transmission Company 5½%, 1986	105,000	132,300	1.14
TOTAL CONVERTIBLE DEBENTURES		\$ 537,660	4.63%
PREFERRED STOCKS	NUMBER OF SHARES		
The Alberta Gas Trunk Line Company Limited 6¼% cumulative redeemable	1,000	\$ 107,000	.92%
Anglo-Canadian Telephone Company \$2.90 cumulative redeemable	1,000	52,000	.45
British Columbia Electric Company Limited 5½% cumulative redeemable	300	15,750	.14
Trans Prairie Pipelines Ltd. 6%, Class "A"	1,450	87,000	.75
TOTAL PREFERRED STOCKS		\$ 261,750	2.26%
BONDS AND NOTES	PAR VALUE		
Alberta Wheat Pool — Demand note	\$450,000	\$ 450,000	3.88%
British Columbia Power Commission 5%, 1963	60,000	60,300	.51
Husky Oil & Refining Limited 5½%, 1973	95,000	83,600	.72
TOTAL BONDS AND NOTES		\$ 593,900	5.11%
TOTAL SECURITIES		\$11,474,143	98.75%
Current Assets Less Current Liabilities		145,188	1.25
TOTAL NET ASSETS		\$11,619,331	100.00%

*U.S. and foreign securities (which total \$3,368,514 or 29% of net assets).

AUDITORS' REPORT

TO THE SHAREHOLDERS OF GROUPED INCOME SHARES LIMITED:

We have examined the balance sheet of Grouped Income Shares Limited as at March 31, 1961 and the statements of income and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and statements of income and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at March 31, 1961 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

April 21, 1961.
Vancouver, B.C.

DELOTTE, PLENDER, HASKINS & SELLS,
Chartered Accountants.

**DIRECTORS**

A. H. WATSON, President. Director: Robinson Little & Co. Limited; Director and Secretary: Bullock's Limited; Chairman of the Board: United College; Member of the Board: Winnipeg Metropolitan Y.M.C.A.

FRANCIS V. LUMB, Vice-President. President: Growers Wine Company Limited, Victoria Wineries (B.C.) Ltd., Logana Farms Ltd., Regal Importers Ltd.; Director: Green Valley Fertilizer & Chemical Co. Ltd., Smith Davidson & Lecky Limited, Narcotics Addiction Foundation of B.C., Vancouver Art Gallery; Vice-President and Honorary Treasurer: Health Centre For Children.

M. L. BARR. President: Pacific North-West Contractors Ltd., Coast Sheet Metal & Roofing Ltd., Ronbar Investments Ltd.; Vice-President: Van Horne Electric Supply Ltd.; Secretary-Treasurer: Associated Foundry Ltd., Rivers Realty Ltd., Barr Realty & Insurance Agencies Ltd.; Director: Blain Boiler Works Ltd., Queensboro Investments Ltd., Wagstaff Hoist Ltd., Pacific National Exhibition; Member, Board of Governors, Shrine Hospital, Portland, Oregon.

GEORGE L. CRAWFORD, Q.C. Legal Counsel and Director: Western Minerals Ltd., Western Chemicals Ltd.; Director: The Southam Company Limited, First Oil & Gas Fund, Calgary Exhibition & Stampede, Alcoholism Foundation of Alberta, Alberta Children's Hospital, National Council of Y.M.C.A.'s; Member, Board of Governors: Canadian Welfare Council.

F. C. MANNING. President: Manning-Egleston Lumber Co. Ltd., Mewata Millwork Company Limited; Director: Canadian Western Natural Gas Co. Ltd., The Calgary and Edmonton Corp., Ltd., Inland Cement Company Limited, International Utilities Corporation, Calgary Exhibition and Stampede Ltd., National Retail Lumbermen's Council of Canada; Member of Calgary Advisory Board, Canada Trust Company; Member, Board of Governors, University of Alberta; Member of the Board, Foothills Provincial General Hospital; President: Pioneer Agricultural Museum.

DONALD C. McDERMID. Vice-President and Director: Grouped Fund Distributors Limited; Director: McDermaid, Miller & McDermaid Ltd., McDermaid's Limited, Pacific North-West Contractors.

W. REES TAPRELL. Vice-President and Managing Director: Carlile & McCarthy Limited; President and Director: Grouped Fund Distributors Ltd.; President and Director: Calgary Downtown Business Association, Calgary Downtown Parking Corporation; Director: Edmonton Concrete Block Co. Ltd.

OFFICERS

ALLAN H. WATSON, President

J. M. O'DONNELL WALSH, Secretary-Treasurer

FRANCIS V. LUMB, Vice-President

JOHN ERSKINE YOUNG, General Manager

INVESTMENT COUNSEL

To augment the investment management services provided to G.I.S. by Grouped Fund Distributors Limited, Mr. S. C. Scobell was appointed investment counsel to G.I.S. in June, 1960.

Mr. Scobell, who was elected Chairman of Dominick Corporation in 1960, was formerly a senior partner of one of Canada's leading investment firms and is widely known, in Canada and abroad, as a security analyst and economist.

For a period of 5 years Mr. Scobell was editor of "Canadian Business", published by the Canadian Chamber of Commerce, and he has contributed regularly to other financial and business publications. During World War II Mr. Scobell acted as an economic advisor to the Department of Munitions and Supply.

In his book "Common-sense Investing" author J. J. Brown describes Mr. Scobell as "probably the dean of Canadian security analysts."



PRINCIPAL BUSINESS OFFICE

715 - 675 West Hastings Street,
Vancouver 2, B.C.

REGISTRAR AND TRANSFER AGENTS

NATIONAL TRUST COMPANY, LIMITED,
Vancouver, Calgary, Winnipeg,
Toronto, Montreal

THE CANADIAN BANK OF COMMERCE,
Saint John, N.B.

**CUSTODIAN OF SECURITIES
AND DIVIDEND DISBURSING AGENT**

NATIONAL TRUST COMPANY, LIMITED,
Vancouver 2, B.C.

AUDITORS

MESSRS. DELOTTE, PLENDER, HASKINS & SELLS



ANNUAL REPORT

Terence
GROUPED

**INCOME
SHARES
LIMITED**

ANNUAL REPORT



YEAR ENDED MARCH 31, 1961